

SNOWBRIDGE SQUARE CONDOMINIUM ASSOCIATION  
ANNUAL HOMEOWNER MEETING

September 2, 2006

1:30 p.m.

Commercial Space #C  
Snowbridge Square Mall

I. INTRODUCTIONS/DETERMINATION OF QUORUM

John Thompson, the President of the Board of Directors called the meeting to order at 1:35 p.m. in the commercial space previously known as AB Sport.

Homeowners present were:

Brian Schwartz #101	Bob Root, #204
John and Suzanne Thompson, #103	Tim and Linda Sue Hoops, #207
Jon Faue, #105	John Theisen, #208
Dave Whitehead, #106	Claire Carren, #210
Susan Canny, # 108	

Representing the commercial properties were:

Gary Harmsen  
Bob Harmsen

Proxies were received for:

Michael and Christine Cohagen, #102	Jansz Kokot, #209
Bruce and Diane Weid, #107	Ed and Sue Peiker, #206
Jim Farquar, #109	Mary D'Angelo, #304
Jason McMullen, #110	

Others in attendance were:

Kathy Anderson, Bookkeeper  
Laura Snow, Accountant  
Cathi Kneuper, Copper Vacations, Building Manager  
Jason Wichter, Resident Building Manager

Between units represented in person and proxies received, a quorum was established.

II. REVIEW/APPROVE 2005 ANNUAL MEETING MINUTES

John Thompson reiterated that the minutes had been sent to each owner in the Annual Meeting packet. John Theisen made a motion to approve the minutes of the September 3, 2005 Annual Meeting as presented. Bob Harmsen seconded the motion and the minutes were approved unanimously.

VISIT FROM INTRAWEST

Rob Schwartz, the Director of Resort Services for Intrawest was present and John Thompson invited Rob to address the members. Rob introduced himself and gave a brief outline of what he does for Intrawest. After which he passed out feed back sheets to those present. He clearly stated that Intrawest is asking for more owner engagement and asked for more feedback. He stated that Intrawest is inviting and requesting a high level of involvement from all owners. He continued with a statement that the PUD

amendment will be submitted to the County to begin the approval process before January 1, 2007. He outlined that the Hard Rock Hotel is slated to be built next door to Snowbridge Square in what is now the Chapel parking lot. This is scheduled to be a phased project and that its construction would not be a disturbance to this building.

Gary Harmsen asked if the Hard Rock Hotel was subject to the PUD amendment? Rob outlined that the Chapel lot is currently approved for approximately 200 equivalent

units of density in the existing PUD. However, Hard Rock Resorts, the parent company for the Hotel chain, needs 400+ equivalent units to make this a viable project. Rob does not believe that in the scope of the proposed PUD amendment that this will be an issue. The lightening rods associated with the proposed PUD amendment appear to be the proposed changes to the golf course and the development in the A-Lift area.

Claire Carren asked if they were going to build a parking garage. Stating that we need more parking at the resort. Rob reported that in the proposed PUD amendment there is no net loss of parking. There are no plans for a parking structure. He believes Copper must provide free parking for guests. Whereas there are advantages to parking structures, at a cost of \$30,000 per parking space, building a structure is too costly. Intrawest would prefer to make that kind of financial investment to on mountain improvements. What is in the proposed PUD amendment is a large surface lot that will be free and will be well lit. Rob assured everyone that parking will be addressed in the PUD process.

John Thompson asked if the Hard Rock Hotel would affect the views from Snowbridge Square. Rob responded that the tallest part of the building would be on the north side of the lot (the Copper Road and I-70 side of the lot). On the south side of the lot (the stream side) would be a plaza and a grass amphitheatre along the reworked stream. There should not be loss of view from the residential units.

Clare Carren asked if Intrawest wanted to get rid of Snowbridge Square. If they wanted to buy the association out so they could tear down the existing building and rebuilt on the land? Rob said the answer was no.

Suzanne Thompson inquired about the status of the 4-Pass for this year. Rob responded that the 4-Pass is available again this year only it has changed into a non-transferable product. This year it will still be the least expensive ski pass available but it will be a photo i.d. pass. The pass that fulfills the need for a transferable pass is the Trans 4 Pass. This pass will cost \$149.00 and may be used by anyone. Unlike last year when there were over 100,000 4 passes sold, Copper Mountain will only be selling 15,000 of the Trans 4 Pass this year.

Clare Carren asked if the surface gondola was gone from the plans. Rob said yes because the gondola still didn't get rid of the need for busses. They are going with a fleet of Co-busses. These are low emission, low fuel vehicles.

Clare then asked if there was going to be a gondola in Union Creek. Rob answered yes it is still in the plan however on mountain improvements are attached to the approval of the proposed PUD amendment. He continued by stating that \$28 million of on mountain improvements will not take place if the PUD amendment is not approved. Regardless, no on mountain improvements will happen this year.

Rob thanked the Board for allowing him time to speak with the group membership and excused himself from the meeting.

The Annual Meeting resumed with

### III. PRESIDENT'S REPORT

John Thompson reported on the following items.

The outcome of an outstanding lawsuit from a fall by a Salsa Mountain employee from January 2003 was settled out of court for the amount of \$2,500.00.

A second contract was negotiated with Copper Vacation, Inc. (Cathi Kneuper) for an additional two years of building management.

Negotiated and signed 1 year contract with Seminole Energy for natural gas metering and delivery.

Several major Team Summit sewage and drain pipe leaks. He worked closely with Cathi, Jason, Bob Harmsen and Kristi (TS manager) to remedy the damage, leaks, smell and subsequent cleanup.

Units #304 and #305 flood damages were repaired. John provided input and direction to Cathi, Paul H., John Theisen and Pam Benedict so that units 304 and 305 were properly painted and necessary drywall repaired as a result of 5 years of roof leaks from roof damages sustained by Intrawest's snow and ice removal.

Conducted 3 HOA Board of Director meetings (meeting minutes provided in HOA annual meeting packet).

The \$51,000 in past due Intrawest invoices were negotiated with Jim Ryan, Intrawest Collections Manager, to reduce our past due amount owed to Intrawest down to \$20,000. Check issued to Intrawest in May 2006.

Minor changes related to the HOA's insurance with Farmers Insurance added bookkeeper bonding insurance, Harmsen and Dunn named SBS HOA as additional insured, confirmed acceptable property values and liability limits, and added Copper Vacations Management to policy as additional insured for liability protection.

Kathy Anderson was hired as bookkeeper replacement for Gay Galligan. The HOA pays Kathy \$300 per month to perform bookkeeping duties. CPA type work is

performed by an accounting firm in Frisco. Laura Snow from that firm was present at the annual meeting and answered several questions relating to the Association's accounting.

In addition to her monthly fees and during the transition, Kathy sent out change of address to vendors, tenants and homeowners, went through 5 or 6 file boxes, organized and purged files, setup the HOA's books electronically (QuickBooks), questioned some of our monthly payments to vendors, suggested and transferred money to 3 and 6 month CDs, straightened out the "coupon" payment system and "found" \$14,000 in an old bank account that was allegedly closed a year ago.

During an August directors meeting, the HOA board approved \$35,000 for the purchase and replacement of 24 condo unit doors and 10 outside closet storage doors. Included in this price is the cost of the doors, removal and disposal of old doors, installation of new doors, outside painting, inside primer, knobs, deadbolts, keys and privacy viewers. In mid-August Bob and I met at SBS to measure every door. At this time we have decided to pursue replacing the 24 doors only. The 10 storage doors have odd sizes and thresholds so very risky to order doors that may not fit. This reduces the HOA price by about \$8 - \$10,000.

Special thanks to Bob Harmsen for his efforts in helping with measuring, ordering, advisement on door and hardware specs, etc.

Our association is mandated by Colorado law to bring the association into compliance with the Colorado Common Interest Ownership Act (CCIOA). Over the course of 3 months the HOA's attorney, Wayne Brown and Associates, reviewed our Rules and Regulations, Bylaws and Amendments for CCIOA compliance. The result of this effort was several changes to our docs and declarations (Rules & Regulations, bylaws, amendments). The total charge for these legal services was around \$3,000. In addition to these mandated CCIOA changes to our docs, also obtained electronic copies of all HOA docs so that they, along with financials, meeting minutes and other items, could be posted on POLA's webs site. (<http://www.copper-pola.org>)

I stayed in daily or weekly contact with Cathi and Jason via phone and email; walked around building several times during winter months; checked on progress of summer projects. I performed 3 or 4 building walk "a rounds" with Jason and/or Cathi; to-do lists generated and monitored.

Reviewed and approved all of Cathi's management fees, Jason's hours worked; their receipts, purchases, etc.

Through Gay and Kathy, reviewed and approved all major purchases and vendor services (anything over approximately \$500).

Susan Canny, the owner of unit #108, wants to be informed as to when their door will be installed. John Thompson replied that all owners will be communicated with on this. He went on to say that after the new doors are installed owners will be responsible for the inside of the door. All the exteriors of the doors will be uniformly painted and will also have uniform locks. Owners or their management companies, whichever owners prefer, will be given 5 keys to their new lock.

A question was raised as to the promised Energy Audit that was supposedly done by energy specialists under the management of Copper Mountain. Many remembered this promise made to the association by Copper Mountain Property Management. Cathi Kneuper offered to go back through old minutes to try to put a time frame to this supposed audit.

John Theisen suggested that the association have an energy audit conducted for themselves. He asked for owners to assist in getting this project started and completed. Bob Harmsen suggested that Tolin Mechanical, our contractor for the upkeep and maintenance of our boiler system might be able to conduct part of the audit. Yes, that was a good idea then the association only needed to hire an energy consultant for other than boiler efficiency.

Claire Carren reported that the sliding glass doors in the units are really bad. John responded that this was a project separate from the energy audit. Sue Whitehead reported that she and Dave had replaced their sliding glass doors 6 or more years ago and it has made a huge difference in heat efficiency.

John Thompson also stated that a Reserve Study needs to be done. Cathi Kneuper is to contact Duffy Council with Copper Mountain Property Management to gather information on how to go about getting this study started.

Suzanne Thompson also asked if a study could be done to replace the sliding glass doors.

Linda Hoops, owner of unit #207, informed the Board that she and Tim would like to enclose their balcony. This would also be another measure towards heat efficiency. She asked what the approval process for this would be. It was explained to them that it is not just a Board approval process. It includes approvals from the HOA Board, then the Copper Mountain Planning and Architectural Committee (CMPACC), and lastly the County Planning Department. She was advised that CMPACC traditionally does not look favorably at individual requests within a condominium complex. They tend to rule towards consistency, symmetry and uniformity for the entire complex.

John Theisen reminded the membership that many years ago the owners of units #304 and #305 converted their porches into sunrooms. They did the work without permits and because it was improperly done the association has been burdened with the financial responsibility of making those sunrooms safe and functional.

#### IV. FINANCIAL REVIEW

Kathy Anderson reported that the association had \$201,533.58 in assets. This was originally all in the checking account. She reported that she took \$50,000 of this and split them into 2 - \$25,000 interest bearing CDs. The first \$25,000 she put in a 3 month CD at 3.25% interest and the other in a 6 month CD at 3.5% interest. She also put \$101,320.40 into a Money Market account.

As the members looked over the financial statements it was requested that comparative columns be added to the reports. The suggestions were to have a column for the current budget month, a column for YTD, a column for the prior year for the same budget month, and then a percentage of the budget that has been spent or received.

The accountant, Laura Snow, took the budget from a cash basis to an accrual basis. A question was raised to what the association's status was? Are we a non-profit organization or a corporation? Snowbridge Square Condominium is a cross between both of those structures. Laura said she used the 1120H tax form for filing the association's tax returns. This is a tax form that is specific only to Homeowner Associations with only this combined status.

Laura recommends that the association have a reserve study done and reserve funds put aside. She also advised that we separate operating funds from reserve funds.

Gary Harmsen asked if the members needed to vote on what amount should go for reserves. Laura said the membership needed to establish how much of the quarterly dues should be directed to the reserve account. A question was asked as to the retained earnings represented in the financials? Laura responded that there should be line items showing retained operating earnings and retained reserve earnings in the financials rather than just one retained earnings entry.

John Thompson suggested the membership decide now how much should be set aside for the Capital Reserve. Open another account and start putting money into it.

Gary Harmsen recalled how for years the association had very little cash and Harmsen and Dunn would loan the association funds so they could have cash flow when needed.

Laura reiterated that the association have a reserve study done. Take the results of that study and look at what is needed for the 2007 budget. Then the association can decide what amount needs to be paid into a reserve account. It has always been her opinion that when comparing reserves to assessments, reserves are always preferred.

John Theisen made a motion to accept the financial report. Tim Hoops seconded. The motion passed unanimously.

## VI. OPERATIONS REPORT

Cathi Kneuper presented her Operations Report. A copy that report is attached. Points of interest were:

- Copper Vacations Performance
- Snow Removal
- Garbage and Trash Issues
- Flat Roof leaks
- Team Summit
- Spa Problems
- Insurance Claims
- Parking and Garage concerns
- Annual Fire Inspection

Please see attached document for the full report.

## VII. VOTE TO AMEND BY-LAWS

John Thompson explained again the need for the association to come into compliance with CCIOA. The HOA's attorney, Wayne Brown and Associates, reviewed our Rules and Regulations, Bylaws and Amendments. The result of his efforts was the identification of the need to make an amendment to the By-Laws. Attached is a letter from Mr. Brown outlining and explaining this need.

After some discussion for clarification, Gary Harmsen made a motion to amend the by-laws as written by the attorney. Bob Harmsen seconded the motion and the motion passed unanimously.

## VIII. BOARD MEMBER ELECTION

John Theisen clarified for those in attendance that the Board of Directors consists of two residential representatives, two commercial representatives, and one employee unit representative.

Tim Hoops made a motion to retain the current Board of Directors. John Faue seconded the motion. The vote to retain the current passed unanimously.

## VII. OTHER BUSINESS

There was brief discussion concerning keys to the garage. The garage was rekeyed in January and some owners have not received new keys. Jason has additional keys and is happy to provide them to any owners who need them.

Cathi Kneuper asked for direction from the Board concerning the hot tub cover. There have been many suggestions on what is best but the Board or the membership has not come to a consensus on what they want management to actually pursue. Currently we are using a bubble foam product that many associations seem to be using. Clare

Carren has provided to the association panels of a light weight product that provides for better insulation and heat efficiency. The panels need to be cut and put-together to  
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fit the dimensions of our tub. I believe the consensus of the Board is to continue using the bubble foam product. It is reasonably priced, convenient to purchase, easy for owners and guests to remove and return, and it is what most associations are using on their tubs.

#### VIII. ADJOURNMENT

John Theisen made a motion to adjourn. Suzanne Thompson seconded the motion.  
The meeting was adjourned at 3:35 p.m.

Respectfully Submitted, October 10, 2006 by:

*Cathi Kneuper*

Cathi Kneuper  
Building Manager

Attachments:

Income Statement  
Balance Sheet  
Managers Report

Approved By: *John Thompson, President* Date: October 15, 2006